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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/586,881	06/05/2000	Mordhay Barkan		8240

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EXAMINER

DASS, HARISH T

ART UNIT	PAPER NUMBER
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3628

DATE MAILED: 08/15/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/586,881

Applicant(s)

BARKAN, MORDHAY

Examiner

Harish T Dass

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 05 June 2000.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-14 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-14 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 101

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-11 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter, particularly, an abstract idea.

The Examiner notes that the disclosed invention is within the technological arts. The claimed invention is also noted not to be a computer program, data structure, a natural phenomenon, a non-descriptive material per se. The claimed invention does not include a series of steps to be performed by a computer. The claimed invention also is not a product for performing a process, nor is it a specific machine or manufacture. The claimed invention is not a specific tangible machine or process for facilitating a business transaction. Claims 1-11 do not appear to correspond to a specific machine or manufacture disclosed within the instant specification and thus encompass any product of the class configured in any manner to perform the underlying process. Claims 1-11 do not appear to correspond to a specific machine or manufacture, and thus encompass any product of the class configured in any manner to perform the underlying process. The claimed invention of claims 1-11 also do not include a post-computer process activity or a pre-computer process activity. Thus, no physical transformation is

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performed, no practical application in the technological art is found. Consequently, claims 1-11 are analyzed based upon the underlying process, and are thus rejected as being directed to a non-statutory process.

See *State Street Bank & Trust Co. V. Signature Financial Group Inc.*, 47 USPQ2d 1597 (Fed. Cir. 1998) where the Federal Circuit held that: "[T]he transformation of data, representing discrete dollar amounts, by a machine through a series of mathematical calculations into a final share price, constitutes a practical application of a mathematical algorithm, formula, or calculation, because it provides "a useful, concrete and tangible result".

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-4 and 12-14 are rejected under 35 U.S.C. 103(a) as being unpatentable over Krsul et al (hereinafter Krsul - US 5,839,119) in view of Rose (US 6,205,436).

Re. Claims 1 and 12, Krsul discloses a. A transaction management unit, pertaining to the software of the first party, receives from a user there a request to perform a service for which payment with tokens is required [Krsul - see entire document particularly, Abs; Figures 1-2, 9-10; C1 L10 to C2 L52], and b. The management unit checks

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whether there are yet unused tokens available in the system, that is tokens whose status is "ready" as opposed to "used" or "canceled", If an unused token was found [Fig. 10A; C11 L17 to C12 27, (ready=valid, unspent electronic token halves remaining and are ready to be used)], If there are no available tokens, then indicate to the user that the service cannot be performed because of lack of tokens, then END [Figures 8-10; C9 L64 to C11 L30], and c. The management unit requests and/or retrieves information on an available (unused as yet) token from a database or storage unit pertaining to the software of the first party, and d. During a subsequent transaction with the second party, the management unit sends information relating to the token now used and canceled to the second party, through a communication channel [C8 L31 to C9 L27; C10 L37-L56]. Krsul, explicitly, does not disclose the status of the token which was retrieved is automatically changed in the database, and will thereafter be designated as "used" or "canceled". However, Rosen discloses this step [Rosen - Abs; Figures 12A, 14-15; C5 L6 to C6 L50; C25 L10 to C26 L50]. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to modify the teaching of Krsul and add database and status of a process (token), as discloses by Rosen, to verify the history and validate the token (check) [Fig. 12] used.

Re. Claims 2-4, Krsul discloses wherein after step (d) the first user (buyer) further sends to the second user (seller) information relating to previous token or tokens used by the first user, and wherein after step (d) the first user further sends to the second user information relating to the use of token or tokens by other parties, as reported to the first

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party during previous transactions [C3 L18 to C4 L45; C5 L57 to C6 L25], and wherein the second user receives information relating to the use of tokens by other parties, and discards the oldest information to limit the total information stored therein [C11 L31-L67; C5 L57 to C6 L24].

Re. Claims 13-14, Krsul discloses wherein a software package to implement the managing and monitoring system is installed in the facilities of the first and second party and of any party which may take part in transactions using tokens [C4 L6-L62], and wherein the transactions management unit will perform the required service only if there are available tokens, that is tokens which are not "canceled" or "used", in the database of tokens reports [C11 L17 to C12 27], and the communication channel may include a telephone line and/or a wireless link or a connection to Internet or other means for performing a digital communication session with other users [C3 L18 to C4 L6].

Claims 5-11 are rejected under 35 U.S.C. 103(a) as being unpatentable over Krsul in view of Stefik et al (hereinafter Stefik – US 6,236,971).

Re. Claim 5, Krsul discloses first party sends to the second party a report (generating and tracking instructions) including information relating to the token used and canceled by the first party for that transaction [C5 L11-L56; C8 L32-L46], and b. second party maintains a database of previous reports relating to tokens used in the past, and the report received in step (a) is added to the database [C5 L11-L56; C8 L32-L46; C11 L31-

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L39], and c. The second party compares the information received in step (a) with previous reports for the same first party C5 L11-L56; C8 L32-L46; C11 L31-L39]. Krsul, explicitly, does not disclose d. If the comparison detects a violation of the rules for the use of tokens, then the second party stores that information and/or displays a violation report and/or reports that to the tokens issuer, and/or sends a note to the first party of such token. However, Stefik discloses d. If the comparison detects a violation of the rules for the use of tokens, then the second party stores that information and/or displays a violation report and/or reports that to the tokens issuer, and/or sends a note to the first party of such token [see entire document particularly Abs; C4 L6-L49; C6 L29 to C8 L64; C22 L1-L60; C24 L63 to C26 L40; C28 L9-L63]. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to modify the teaching of Krsul and add monitor and provide report of digital ticket (token) transaction, as taught by Stefik, to report any fees to be billed for access to a digital work and sanction usage because of specific conflicts.

Re. Claims 6-11 the second party maintains a database of previous reports (history) relating to tokens used in the past by the first party, and the second party maintains a database of previous reports relating to tokens used in the past by a plurality of other parties or users [C8 L31 to C9 L27; C10 L37-L56; C3 L18 to C4 L45; C5 L57 to C6 L25], and one of the rules for use of tokens is that no token is allowed to be used twice. Krsul, explicitly, does not disclose the database of previous reports is being updated to include the latest reports, and the oldest reports are deleted therefrom, and one of the

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rules for use of tokens is that the serial number of successive tokens should be in ascending order, and one of the rules for use of tokens is that the serial number of issued tokens should correspond to a document or permit issued by the third party. However, Stefik discloses these steps. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to modify the teaching of Krsul and add rules, serial number, and store in numerical order based on the right code, as disclosed by Stefik, to enable greater security and control of the digital work from forgery and enforcing the usage rights and not double billing or repeating. Further, it is known and commonly used to delete (erase) old data from database to reduce cost of storage.

Conclusion

3. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Applicant is required under 37 CFR ' 1.111 (c) to consider the references fully when responding to this action.

Anthes, "Digital cash solution sought", Computerworld. Framingham: Sep 26, 1994. Vol. 28, Iss. 39; pg. 24, 1 pgs, discloses electronic tokens to fill a void in electronic commerce, particularly for purchasing movies, data, software and so forth.

US 6,295,482 to Tognazzini, Sep. 25, 2001 "Electronic Newspaper Vending Machine", this invention provides an apparatus, system, methods and

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computer program products which permits a user to query, for example, an electronic newspaper vending machine to acquire, the text of an article, an electronic version of an entire newspaper or the information necessary to locate the electronic version automatically. Electronic cash systems or payment authorizations are used to pay any associated fees.

US 5,386,369 to Christiano, Jan 31, 1995 "License metering system for software applications", this invention discloses a software metering system suitable for monitoring and/or controlling the usage of software applications.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Harish T Dass whose telephone number is 703-305-4694. The examiner can normally be reached on 8:00 AM to 4:50 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S Sough can be reached on 703-308-0505. The fax phone numbers for the organization where this application or proceeding is assigned are 703-305-7687 for regular communications and 703-746-7238 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

Harish T Dass
Examiner
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Application/Control Number: 09/586,881

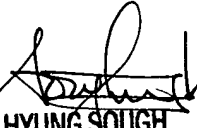
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H7D

August 2, 2003


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